

Structural Transformation in the BRIC Countries

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This paper studies structural transformation in the BRIC countries, Brazil, Russia, India, and China, for the period from 1980 to 2008. We bring together a unique sector data set of value added and employment (including self-employment) that allows a comparative analysis of growth in the BRIC countries at a detailed industry level. The dataset is based on a critical assessment of the reliability, consistency, as well as the concepts and definitions used in various primary data sources. The BRICs are distinct in production structures. A novel decomposition analysis suggests economic growth is related to different sectoral development patterns. Natural resource sectors account for a large share of growth in Brazil and Russia. Market services sectors account for two-thirds of growth in India, whereas half of China's rapid productivity growth originates in the manufacturing sector.